Case Studies on Higg Index Score Improvements

July 17<sup>th</sup> - 2020

#### **Meet our Speakers**



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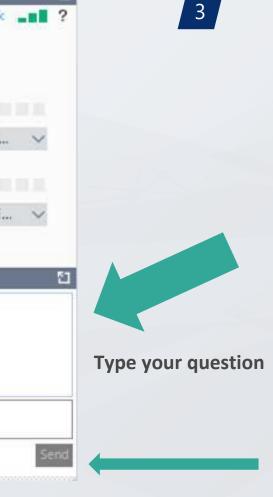
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### Agenda

1. Scoring in Higg FEM

#### 2. EMS

- 3. ENERGY & GHG
- 4. WATER
- 5. WASTE WATER
- 6. AIR
- 7. WASTE
- 8. CHEMICALS
- 9. FEM training and Verification offer
- 10. About Leadership & Sustainability



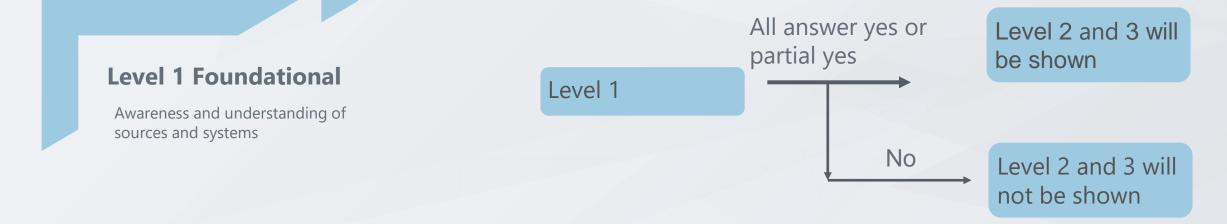
### Scoring in Higg FEM

#### Level 3 Aspirational

Leading Practices

#### Level 2 Progressive

Setting Targets and Tracking progress



### 1. Environmental Management System



	Level 1	Score		Level 2	Score		Level 3	Score
Q1	Environmental Responsibilities		Q7	Environmental Strategy Review		Q9	Awareness of Environmental Strategy	
Q2	Environmental Strategy		Q8	Technical Competency of responsible Individuals		Q10	Subcontractor Engagement	
Q3	Environmental Impact and Aspect	25			50	Q11	Work on Local Context	25
Q4	Review Environmental Permit					Q12	Upstream Supplier Engagement	
Q5	Monitor Environmental Laws and Regulations							
Q6	Maintenance Schedule							

#### 1. EMS – Case Study - 1

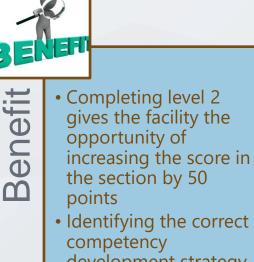
# **OPPORTUN TY** Φ • Facility does not have Challeng an EMS and is at Level

• Facility has an opportunity to further gain 50 points in EMS with a strategy review and ensuring competency development of their environmental team



• Complete all the questions to level 1 • Design a short and long term EMS strategy with objectives and achievement duration.

- Review the strategy every 6 months
- Define competency levels for the EMS team



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development strategy for the team builds both the organization and team skill set.

#### EMS – Case Study - 1

#### **Q7. Environmental Strategy Review**

Environmental strategy 2025. The baseline year is 2019. Eq:

- Establish a supply chain management approach, cascading Higg FEM to the next tier of suppliers (up streams).
- Save 10% energy per produced unit of product.
- Save 5% water per employee.
- Recycle 20% of the wastewater by installing an Ultrafiltration treatment step
- Improve waste separation and reduce the amount of hazardous waste by 5% per produced unit of product.
- Implement ZDHC MRSL (Manufacturing Restricted Substances List).



#### EMS – Case Study - 2

OPPORTUN TY



Facility has completed Level 2
Facility has an opportunity to further gain points in EMS with a)Subcontractor engagement b)Work in local context c)Upstream supplier engagement



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Subcontractor Evaluation and prioritization devised
EMS training inclusion for relevant subcontractors factored into the facilities training schedule
Identification of

- community service initiatives
- Upstream supplier engagements and sharing of Higg modules of relevant suppliers

• Leverage the Higg FEM and communicate why environmental performance matters to your business with subcontractors, and upstream suppliers work with them to evaluate their own performance, monitor impacts, and improve • Build engagement with 10

• Build engagement with people, businesses, and organizations in the community around your facility on environmental practices and improvement.

#### EMS – Case Study - 2

#### **Q10. Subcontractor Engagement**

[Com	[Company Logo] Subcontactor Evaluation - [Company Name]																
Ref: [Do	Ref: [Document Reference Number]																
Compile	ompiled by : [Department/ Personnel]																
Last up	Last updated/reviewed date : [Date]																
No	Name of Subcontractor	Department/s Involved	Date of Onboarding	Internal Score (Updated Q2)					Scoring			Final Score	Comments and remarks	EMS Training			
						Price	Quality	Delivery	Commitment Schedule	Flexibility	Communication			Identification	Higg Index Score	Engagement/ Training Plan	Representatives
1	EXAMPLE: Enter name of Subcontractor			Enter Score as per last Quarter	Enter when last contract was awarded									(Yes/N0)		Once Every 6 months	1.Name of personnel 2.Name of Personnel

#### **Q12. Upstream Supplier Engagement**

- Chemical suppliers\*
- Raw material suppliers
- Other, please describe

\* **Note**: Currently, the How to Higg Guidance includes chemical suppliers in this category, however, please note FEM Higg engagement is generally not designed for this type of upstream manufacturer and that chemical suppliers will be removed from the How to Higg Guidance for this question during the next revision cycle.

#### Leadership & Sustainability

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### 2. Energy & GHG





**Energy- Scoring** 

	Level 1	Score		Level 2	Score		Level 3	Score
Q1	Energy Source Identification & Tracking		Q2	Baseline setting of Energy Use		Q7	Greenhouse gas (GHG) Scope 3- Calculation	
			Q3	Energy Use Ranking				
		50	Q4	Energy Reduction Target	50			0
			Q5	Energy Implementation Plan				
			Q6	Energy Improvement Comparison				

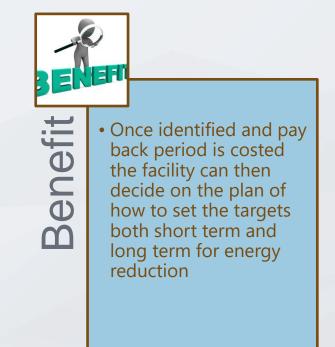
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 Setting values to energy reduction target Challeng



 Identified the investments required to bring in energy improvements: a)Waste heat recovery b)Check for improving boiler efficiency c)Maintain steam traps and steam system d)Insulate equipment and tanks

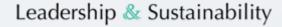


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• Waste heat recovery boilers are designed to recover heat from waste flue gases



<u>Further Info:</u> <u>https://www.prometheanenergy.com/case-study-textile-sme-in-south-india.html</u>





- Install variable frequency drive motors on sewing machines.
- Pay back is less than 2 years
- Cuts energy use between 50-70%



- Switch from T8 to T5 HO lamps
- Redesign the lighting layout in the factory to reduce the electricity consumption by 20-25%





	Level 1	Score		Level 2	Score		Level 3	Score
Q1	Water Source Identification & Tracking		Q2	Baseline Setting		Q7	Water Balance Analysis	
			Q3	Water Use Ranking				
		25	Q4	Water Reduction Target	50			- 25
		20	Q5	Water Implementation Plan	50			25
			Q6	Water Improvement Comparison				

### Water- Scoring

#### Water – Case Study

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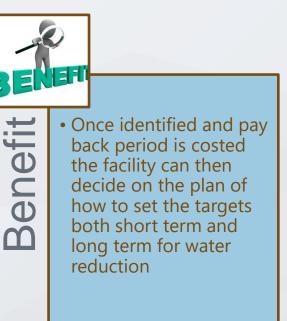
• Setting values to water

reduction target



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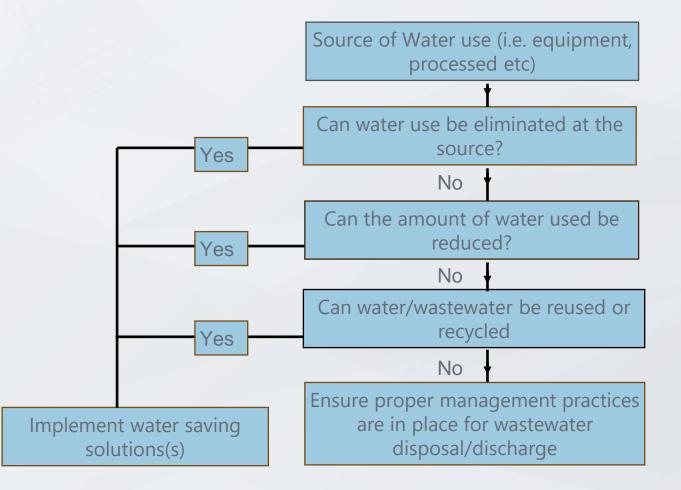
- Identify the olution investments required to bring in water saving:
  - Installation of water meters
    - Rain water Harvesting
  - Countercurrent rinse technique
  - Investment into low liquor ratio dyeing machines



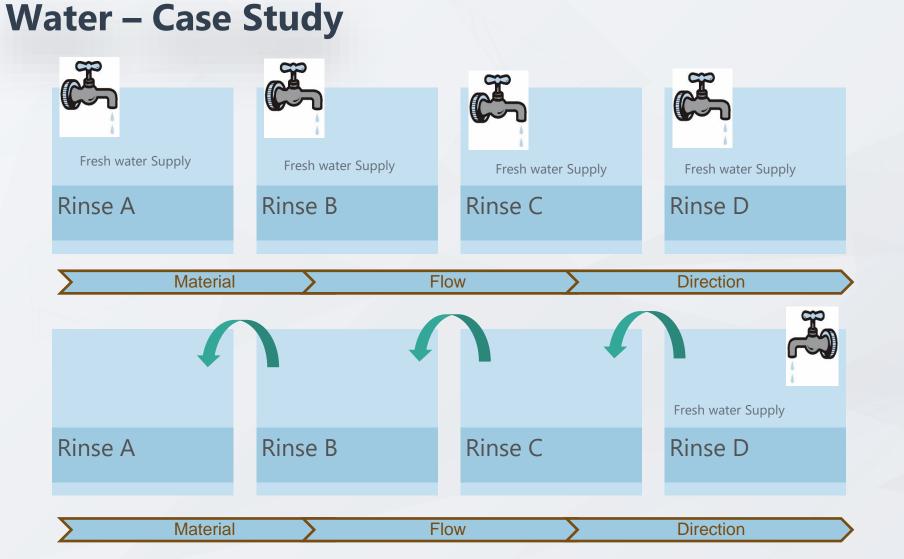
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#### Water – Case Study

 Each level of Hierarchy should be fully explored before moving to the next level



Source: Apparelcoalition.org



**Countercurrent rinse technique** 

Leadership & Sustainability

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### Water – Case Study



Practice	Water Saving (Ton/Ton of Fabric)	Percentage Saving
Leak Detection, preventive maintenance, improved house keeping	0.6-3.1	1-5%
Reuse Cooling Water from Singeing	0.7-3.9	2-8.9%
Reuse Cooling Water from air compressor		
Reuse Cooling Water from preshrink		
Reuse Condensate	0.2-3.9	0.2-5.4%
Reuse process water from Bleaching	0.9-4.4	1.1-6%
Reuse process water from mercerizing		

Source: NRDC 10 Best Practice examples for textile mills

#### 4. Waste water





### Waste water- Scoring



	Level 1	Score		Level 2	Score		Level 3	Score
Q1	Wastewater Source Identification & Tracking		Q7	Reporting against Wastewater Standard		Q9	Reuse/Recycle as a process water (Close Loop)	
Q2	Offsite ETP Information		Q8	Offsite Wastewater Test report				
Q3	Emergency Back-up Plan	25			50			25
Q4	Hazardous Sludge Disposal Procedure							
Q5	Non-Hazardous Sludge Disposal Procedure							
Q6	Septic Sludge Disposal Procedure							

#### Waste water – Case Study

OPPORTUN TY



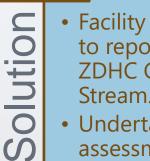


• Facility has completed level1 • Facility wishes to

complete Level2 with Q7 & Q8 in WW section

• Report against a waste water standard and offsite waste water test report





- Facility decides to report with ZDHC Clear Stream.
- Undertakes an assessment of process control parameters affecting the Wastewater



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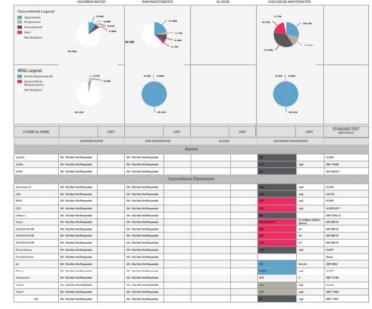
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#### Waste Water – Case Study

- A Clear Stream report supports suppliers to easily understand their wastewater performance towards the ZDHC Wastewater Guidelines.
- Its simple, easy-to-read format makes it easy to share with brand customers, and to highlight any progress with wastewater management.
- Suppliers also get guidance on opportunities to improve, so they can target their actions and resources.
- A supplier's performance is also visible on the Detox.Live platform.

Zhejiang Jiaye Printing and D	Dveing Co. Ltd	
Parent Company: Zhajang Jaya Printing and Dyeing Co. Ltd <b>Report Date:</b> 01.4pr-2020 2DHC ID: ASSMA33 E-mail: email@email.com	Street Address: No. 60 Zhengha Road, Birhai Industrial Zone, Shaosing City, China - Chinai Telephone: 12345/8789 Version: ZDHC W ashevater Guidelines 1.1	

#### DETAILED PERFORMANCE BREAKDOWN The suction below shows the detailed results from your Laboratory test report in context with the ZDHC Wastewater guidelines and scoring methods Temperature data is not currently scored on the Clearstwam Report.













	Level 1	Score		Level 2	Score		Level 3	Score
Q1	Emissions Source Identification (Operation)		Q6	Air Emissions Test Reports		Q7	Modernized Equipment to reduce Emission	
Q2	Emission Source Identification (Production)							
Q3	Additional Refrigerant Use	25			50			25
Q4	Control device/Abatement (Outdoor)							
Q5	Control device/Abatement (Indoor)							

#### Air Emission – Case Study - 1

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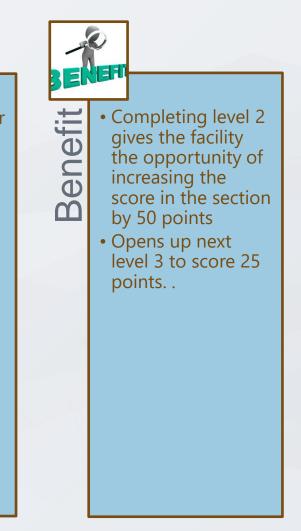
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• Generation of relevant indoor and outdoor test report for air quality to complete level 2



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- Formulate a plan in place or project description to improve air quality and devise the necessary assessment.
- The plan includes list of equipment and/or process changes along with records for the change in emissions resulting from improvements made.
- Results pass the beyond compliance limits as given in FEM guidelines.











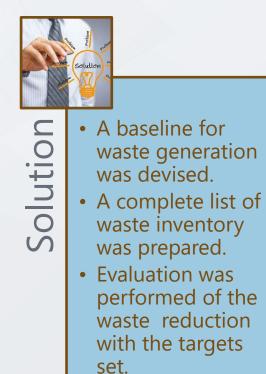


	Level 1	Score		Level 2	Score		Level 3	Score
Q1	Identify Non-Hazardous Waste Source		Q8	Solid Waste Baseline		Q15	Hazardous waste disposal validation records	
Q2	Identify Hazardous Waste Source		Q9	Baseline on waste disposal methods		Q16	Waste disposal and diversion process	
Q3	Segregation of Hazardous and Non-Hazardous Waste Storage		Q10	Waste reduction Target		Q17	Waste upcycle enabling circular economy	
Q4	Marking of Hazardous Waste Storage	25	Q11	Waste diversion Improvement Plan	50			25
Q5	Marking of Non-Hazardous waste storage		Q12	Implementation plan to reduce waste quantity or improve type of treatment	50			
Q6	Policy forbidding open burning and Dumping		Q13	Waste reduction quantity/or improve type of treatment compared to baseline				
Q7	Hazardous waste handling training		Q14	Waste disposal methods improvement compared to baseline				

#### Waste – Case Study

**OPPORTUN** TY

Challenge • Facility is at Level 1 • Setting up a baseline for for the facility and identifying the waste reduction targets for achievement



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• Completing level 2 gives the facility the opportunity of increasing the score in the section by 50 points

• Reduction in waste indicate the improvement in process, reduction in carbon foot print, saving of resources and ultimately saving of money.

### Waste – Case Study



#### Waste Log ٠

[Company Lo	go]		Non-ł	hazardous	/ hazard	ous waste lo	og [Company l	Name]								
Ref: [Document	t Reference Num	ber]														
Compiled by : [	Department/ Pe	rsonnel]														
Last updated/r	eviewed date : [l	Date]														
	Normalization factor (numbe		Waste Stream		Normalized Waste stream	n		Waste Stream		Normalized Waste stream			Waste Stream		Normalized Waste stream	n
Year	of pcs or m)	Category (select)	(select)	Weight (kg)		Destination	Category (select)	(select)	Weight (kg)		Destination	Category (select)	(select)	Weight (kg)	value	Destination
								Empty chemical drums and								
2020	200,000	non-hazardous	Paper	5,000	0.025	Recycle	hazardous	containers		#VALUE!	Recycle	non-hazardous	Glass		#VALUE!	Recycl
2019		non-hazardous			#VALUE!					#VALUE!		non-hazardous			#VALUE!	
2018					#VALUE!					#VALUE!					#VALUE!	
2017					#VALUE!					#VALUE!					#VALUE!	
2016					#VALUE!					#VALUE!					#VALUE!	

### 7. Chemicals





## **Chemicals- Scoring**

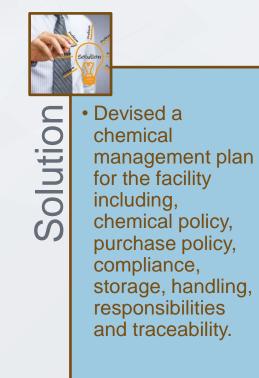


	Level 1	Score		Level 2	Score		Level 3	Score
Q1	Chemical Inventory		Q14	Chemical Management Improvement Plan		Q17	Brands and/or chemical suppliers' collaboration to select chemicals	
Q2	SDS Availability at Store		Q15	Reduction plan for hazardous chemical use		Q18	Chemical Hazards Assessment	
Q3	Chemical Handling Training		Q16	Prioritized list of hazardous chemicals		Q19	Lifecycle Impact analysis	
Q4	Chemical Spillage and Emergency Response Plan					Q20	Manufacturing process chemical traceability	
Q5	GHS Compliant Safety Data Sheets and PPE					Q21	Quality Assurance Program	
Q6	Chemical Hazard Signage and Safe handling Equipment	25			50	Q22	Sourcing from positive lists by contractors/subcontractors	25
Q7	Chemical Purchase Policy					Q23	Commitment to new Sustainable	
Q8	Occupational Health and Safety Program						Chemistry Innovation	
Q9	Marking of all Chemical Storage				-			
Q10	Competency of chemical responsible person				-			-
Q11	RSL Compliant process							
Q12	MRSL compliance							
Q13	Chemical Traceability							

#### **Chemical – Case Study - 1**

**OPPORTUN** TY

• Facility is at Level 1 C halleng • Completing all the questions at Level 1 in chemicals management



 Completing level Benefit gives the facility the opportunity of going to level 2 which further open ups 50 marks to score chemical management helps organization to save on chemicals which helps to reduce load on ETP and the environment.

Implementation of

37

ultimately improve

#### **Chemicals – Case Study -1**

- How to Manage Chemicals
- Prepare chemical Inventory with All chemicals used in manufacturing processes (including chemicals in production and wastewater treatment plant chemicals where applicable)
- All chemicals used in tooling/equipment (spot cleaners, lubricants and grease)
- All chemicals used to operate and maintain the facility (aside from WWT which is captured above).





#### **Chemicals – Case Study -1**

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#### • Chemical Inventory

	1																			
hemical formulati inglish)*	ion Chemic formula (Local)	ation (E	nemical formulator nglish)	Chemical formula (Local)*	or Chemical formulator type*	ZDHC use category *	CAS No.	Colour Index	Amount onsite	* Amount onsite (unit)*	Monthly usage	usage	Consump tion (kg/year)	% mass of Substances in SVHC Candidate list?	Do you have an MSDS/SDS ?*	ZDHC		Certifications	Expiry dates o certifications	
	1					1	1		1	1	1		1 1		1	1 1	1	1		
				·																
azard classes f	from MSDS/SD	)S based on GF	HS & CLP Er	wironmental Indicat	ors										•					• 
azard classes f	from MSDS/SD Precautionar			ivironmental Indicat	ors BOD5	Permanent	Acute	Heavy metal	Storage	Place of Deli	very Delivery	Delivery	Delivery	Chemica	l Dates	of Chemi	nical test	Chemical	Details on	) Disposal o

Source: Partnership of Sustainable textiles

### Questions







# Higg FEM Training & Verification Offer

### **Our Training Offer**

### **Our Webinar Topics At a Glance**

- Materiality Assessment
- Sustainability Strategy
- Higg FEM Training
  - Basic
  - Advanced
- Introduction to the Higg Index
- Material and Product Certifications
- Sustainable Supply Chain Management
- Climate Change





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### **Our Verification Offer**

- On site verifications
- Off site verifications
- Group offers covering a number of sites



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